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Tuesday, April 19, 2016

To the Queensland Competition Authority,

I am writing to formally object to the proposed electricity tariff increase. I am led to believe that power bills for businesses in regional Queensland are proposed to increase by about 10% in 10 weeks' time.

I have been made aware that the Queensland Competition Authority (QCA) received a delegation from the Queensland Government to set 2016-17 regulated retail electricity prices for regional Queensland as per the article in today's The Cairns Post.

The draft electricity prices propose an increase in power bills for regional businesses ranging from 9.3% to 13.6% depending on the tariff used by the business.

I strongly urge the QCA to avoid an increase on electricity for regional businesses as this is by far the largest expense for our business outside wage costs, 9% of total expenses. An increase of about 10% will greatly affect the profitability of business in an already extremely tough market and further reduce profitability by 8%.

The number of staff employed will suffer due to the lower profitability and further squeeze all other expenses to compensate for the increase in electricity cost.

Please do not make business less profitable and stifle the small amount of room for growth in employment opportunities.

Regional businesses cannot cope with another increase in power.

Power bills have already increased by 87% in real terms since 2006-07.

Best regards,

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